

For Immediate Release: Thursday, March 15, 2007 **Contact: Bert Scoglietti**

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State Employee Benefits Committee Competitive Bid Process Results in Savings for the State and for Employees

-State employee contributions will remain constant for second year in a row

Dover – Governor Ruth Ann Minner and the State Employee Benefits Committee (SEBC) today announced that state employee contributions for health care insurance will not increase for the second year in a row as a result of a recent competitive bid process for the state employee health care contracts.

In February, the SEBC selected Blue Cross Blue Shield of Delaware and Aetna as the providers for the state group health insurance program for eligible state employees and pensioners effective July 1, 2007. These providers offered the most competitive, quality bids, and state employees will receive even more comprehensive coverage, enhanced plan options and cost savings as a result.

"If the state had not gone out to bid, the SEBC would have needed to find significant additional funding or make changes in co-pays, monthly contributions or existing benefits to accommodate for the continued rise in healthcare costs," Gov. Ruth Ann Minner said. "As a result of the bid, the state's projected health care costs for the upcoming fiscal year will be less than projected for the current fiscal year, and our employee contributions will remain at a consistent level."

"While many other groups, private businesses and organizations have had to ask their employees to contribute more each year to pay for their health insurance, I am pleased that the state and the SEBC were able to not raise rates for our state workers," said Jennifer Davis, Director of the Office of Management and Budget and the Chair of the SEBC.

Eligible state employees and pensioners will be able to choose from a First State Basic Plan which replaces the previous Basic and First State Health Plans, a Blue Cross Blue Shield PPO plan, and HMO plans from Aetna and Blue Cross Blue Shield.

Employees will be able to sign up for these plans during Open Enrollment in May.